all the principal centres and stretching out to the farthest confines of Africa, Asia, and Australasia. In North America, the United States airway system provides a similar network and has been extended to give rapid means of transportation to all points in Central and South America. The Pacific Ocean has been spanned and South America linked with Europe. The only major trade route not yet regularly served by aircraft is the North Atlantic. This trade route is perhaps the most important in the world. 
It joins the greatest centres of population and industry of the Old and New Worlds. It is served by the most efficient transport and communication systems in the world and here, if anywhere, is to be found traffic of sufficient value and quantity to justify the establishment of a commercial air service. The great circle track, or shortest route joining these two great industrial districts, passes down the Rhine Valley, through northern France and Belgium, London, Northern Ireland, the Straits of Belle Isle, Montreal, the Valley of the St. Lawrence, and thence to the Mississippi basin. The eastern and western terminals of the direct transatlantic airway lie in the British Commonwealth and from the earliest days of aviation Canadian Governments have watched its development with growing interest. The length of the ocean crossing and the climatic difficulties have delayed the establishment of any regular service by this route, but, with the advance of aeronautical and radio science and meteorological services, these are being conquered.

At the invitation of the Government of Newfoundland, representatives of the Canadian and United Kingdom Governments visited St. John's, Newfoundland, in July, 1933, for a conference on transatlantic flying. This conference was also attended by representatives of Imperial Airways and Pan American Airways. The result of this conference was close co-operation between the three Governments in certain preliminary surveys and meteorological studies.

An agreement for co-operation in the establishment of the transatlantic air service by the Governments of Canada, the United Kingdom, Ireland (Eire) and Newfoundland was reached by representatives of these Governments in Ottawa in December, 1935. Since the friendly co-operation of United States interests, rather than the institution of a rival service, was highly desirable, the representatives of the Commonwealth Governments then proceeded to Washington and an agreement was reached with representatives of the United States Government for their co-operation in the institution of a regular transatlantic air-mail, passenger, and express service. The practical results of these two conferences were the trial flights made by aircraft of Imperial Airways and Pan American Airways during the summer of 1937. Flying boats were used by both companies. Imperial Airways operated two of the new 'Empire' type, high-wing monoplane boats, while Pan American Airways used the 'Clipper' flying boat, a type that had been successfully flown on their transpacific service.

In 1938 there was little activity on the transatlantic air service owing to the necessity of building new flying boats embodying the lessons learned during the 1937 operations. The only transatlantic flight made by the northern route during the year was made by the Mercury, the upper component of the interesting Short-Mayo composite aircraft. This seaplane, carrying 1,000 lb. of express matter, was launched by her mother ship the Maia near Foynes at 20:00 hrs. (B.S.T.) July 21 and proceeded non-stop to Montreal landing at 16:20 hrs. (B.S.T.) July 22, refuelling there and going on to New York. The Mercury made the return flight by easy stages via Montreal, Botwood, the Azores, and Lisbon to Southampton.

During the year 1939, experimental flights were continued. A weekly service was inaugurated by Imperial Airways, Limited, between Southampton and New